



# Independent Stock Idea

January 21, 2016

## Suncor Energy Inc. (SU) Likely Acquirer of Canadian Oil Sands

<i>Symbol</i>	SU	<i>Ebitda Next Twelve Months ending 12/31/16 (US\$m)</i>	3,900
<i>Rating</i>		<i>North American Natural Gas/Ebitda (%)</i>	0
<i>Price (US\$/sh)</i>	19.61	<i>Natural Gas and Oil Production/Ebitda (%)</i>	37
<i>Pricing Date</i>	10/16/15	<i>Adjusted Reserves/Production NTM</i>	17.9
<i>Shares (mm)</i>	1446	<i>EV/Ebitda</i>	10.4
<i>Market Capitalization (US\$m)</i>	28,400	<i>PV/Ebitda</i>	16.0
<i>Debt (US\$m)</i>	12,300	<i>Undeveloped Reserves (%)</i>	49
<i>Enterprise Value (EV) (US\$m)</i>	40,600	<i>Natural Gas and Oil Ebitda (US\$/boe)</i>	8.00
<i>Present Value (PV) (US\$m)</i>	62,900	<i>Present Value Proven Reserves(US\$/boe)</i>	5.74
<i>Net Present Value (US\$/share)</i>	35	<i>Ebitda Margin NTM (%)</i>	25
<i>Debt/Present Value</i>	0.19	<i>Earnings Next Twelve Months (US\$/sh)</i>	-0.10
<i>McDep Ratio - EV/PV</i>	0.65	<i>Price/Earnings Next Twelve Months</i>	
<i>Dividend Yield (%/year)</i>	4.1	<i>Indicated Annual Dividend (US\$/sh)</i>	0.80
Note: Estimated cash flow and earnings tied to one-year futures prices for oil and natural gas.			
Reported results may vary widely from estimates. Estimated present value per share revised only infrequently.			
Estimated present value presumes a long-term price for oil of US\$70 a barrel and natural gas, \$4.00 a million btu.			
For historical analysis of SU since 2004 see <a href="http://www.mcdep.com/2su.htm">www.mcdep.com/2su.htm</a>			

### Summary and Recommendation

We believe that the long-term prospects are positive for investors to make money owning the common stock of **Suncor Energy Inc. (SU)**. In a change of plans, we renew our research coverage of Canada's largest integrated oil company just as holders of **Canadian Oil Sands Ltd. (COSWF)** consider whether to keep Suncor stock after the tender offer for COSWF is completed. The ultimate payoff of joining COSWF and Suncor would be to operate the immediately adjacent Syncrude and Suncor oil sands mining and upgrader facilities as one giant, efficient plant churning out a half million barrels daily of high quality oil. Moreover, Suncor has the opportunity to double its production in 5-10 years depending on the oil price outlook. At a McDep Ratio of 0.65, Suncor stock offers attractive value (see [Tables 1-4](#) on pages 2-5). Though we present static cash flow projections that incorporate recent futures prices for 2016, the numbers are changing every day (see tables for Suncor on pages 6-7). In the next few weeks industry leaders will be presenting latest operating and financial results along with plans for 2016. In any case, we are confident that Suncor is a strong, well-managed, resilient, financially sound company that has a solid future. Meanwhile, diversified investors hold a portfolio that withstands risks and is positioned for opportunity. Our strategy for the oil and gas portion is to invest most in the Global Integrated group and to spread out remaining participation among our other four groups.

Kurt H. Wulff, CFA



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Symbol/Rating	Price (US\$/sh)	EV/ Market Cap	Enterprise Value (\$mm)	Present Value by Segment (%)				Dist. Yield	NTM (%)	McDep Ratio	
				North Amer.	Rest of World	Oil Prod'n	Down- stream				
				Natural Gas	Natural Gas						
<b>Global Integrated</b>											
Exxon Mobil Corporation	XOM	73.18	1.27	391,000	6	13	60	21	4.0	0.78	
Chevron Corporation	CVX	78.98	1.39	205,000	2	9	69	19	5.4	0.66	
Royal Dutch Shell (BG pro form)	RDS-A	B	36.87	1.85	271,000	2	17	56	26	10.2	0.61
Total S.A.	TOT	B	40.21	1.62	151,000		17	60	23	6.6	0.57
<i>Total or Median</i>				<i>1.50</i>	<i>1,018,000</i>			<i>60</i>	<i>22</i>	<i>6.0</i>	<i>0.64</i>
<b>Large Independent</b>											
Occidental Petroleum Corp.	OXY	59.62	1.20	54,400	3	1	86	9	5.0	0.82	
EOG Resources, Inc.	EOG	60.24	1.21	39,900	11	3	87		1.1	0.71	
ConocoPhillips	COP	34.75	1.87	81,000	12	11	77		8.5	0.59	
Devon Energy Corporation	DVN	B	21.59	2.46	21,900	23		66	11	4.4	0.55
Marathon Oil Corporation	MRO	B	7.86	2.74	14,600	7	1	92		2.5	0.40
<i>Total or Median</i>				<i>1.87</i>	<i>212,000</i>	<i>11</i>		<i>86</i>		<i>4.4</i>	<i>0.59</i>
<b>Small Independent</b>											
California Resources	CRC	0.97	19.38	7,200	10		90		-	0.82	
Range Resources	RRC	21.99	2.13	7,800	75		25		0.7	0.78	
Cimarex Energy Company	XEC	77.66	1.16	8,400	31		69		0.8	0.75	
Continental Resources (32%)	CLR	B	16.04	2.21	4,200	14		86		-	0.47
Whiting Petroleum Corporation	WLL	B	5.02	6.40	6,500	6		94		-	0.46
<i>Total or Median</i>				<i>2.21</i>	<i>34,000</i>	<i>14</i>		<i>86</i>		<i>-</i>	<i>0.75</i>
<b>Income</b>											
San Juan Basin Royalty Trust	SJT	4.27	1.00	200	100		-		5.3	0.53	
Sabine Royalty Trust	SBR	B	25.72	1.00	380	38		62		8.4	0.43
Cross Timbers Royalty Trust	CRT	12.20	1.00	70	72		28		7.2	0.42	
Permian Basin RT	PBT	4.32	1.00	200	23		77		5.3	0.39	
Dorchester Minerals, L.P.	DMLP	B	9.10	1.00	280	28		72		7.3	0.38
<i>Total or Median</i>				<i>1.00</i>	<i>1,100</i>	<i>38</i>		<i>62</i>		<i>7.2</i>	<i>0.42</i>
<b>Canada</b>											
EnCana Corporation	ECA	3.50	3.87	11,600	47		53		1.7	0.85	
Imperial Oil Limited (30%)	IMO	26.50	1.37	9,300	1		72	27	1.5	0.76	
Suncor Energy	SU	19.61	1.43	40,600	-		81	19	4.1	0.65	
Cenovus Energy Inc.	CVE	11.41	1.37	12,900	11		82	8	3.9	0.64	
Canadian Oil Sands Limited	COSWF	5.47	2.02	5,400			100		2.5	0.63	
Birchcliff Energy Ltd.	BIREF	B	2.28	2.47	900	68		32	-	0.39	
<i>Total or Median</i>				<i>1.73</i>	<i>81,000</i>			<i>77</i>		<i>2.1</i>	<i>0.65</i>
Estimated present value presumes a long-term price for oil of US\$70 a barrel and natural gas, \$4.00 a million btu.											
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses											
For historical research see <a href="http://www.mcdep.com">www.mcdep.com</a>											



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Table 2								
McDep Energy Stocks								
Net Present Value and McDep Ratio								
			Price (US\$/sh)	Shares	Market Cap (US\$mm)	Net Present Value (US\$/sh)	Debt/ Present Value	McDep Ratio
	Symbol/Rating		20-Jan 2016	(mm)				
	B = Buy							
<b>Global Integrated</b>								
Exxon Mobil Corporation	XOM		73.18	4,190	307,000	100.00	0.17	0.78
Chevron Corporation	CVX		78.98	1,872	148,000	135.00	0.18	0.66
Royal Dutch Shell (BG pro forma)	RDS-A	B	36.87	3,965	146,000	80.00	0.28	0.61
Total S.A.	TOT	B	40.21	2,312	93,000	90.00	0.22	0.57
	<i>Total or Median</i>				694,000		0.20	0.64
<b>Large Independent</b>								
Occidental Petroleum Corp.	OXY		59.62	763	45,500	75.00	0.13	0.82
EOG Resources, Inc.	EOG		60.24	549	33,100	90.00	0.12	0.71
ConocoPhillips	COP		34.75	1,242	43,000	80.00	0.27	0.59
Devon Energy Corporation	DVN	B	21.59	411	8,900	65.00	0.33	0.55
Marathon Oil Corporation	MRO	B	7.86	677	5,320	40.00	0.25	0.40
	<i>Total or Median</i>				135,800		0.25	0.59
<b>Small Independent</b>								
California Resources	CRC		0.97	382	400	5.00	0.78	0.82
Range Resources	RRC		21.99	167	3,700	35.00	0.41	0.78
Cimarex Energy Company	XEC		77.66	93	7,200	108.00	0.10	0.75
Continental Resources (32%)	CLR	B	16.04	118	1,900	56.00	0.26	0.47
Whiting Petroleum Corporation	WLL	B	5.02	204	1,000	42.00	0.39	0.46
	<i>Total or Median</i>				14,000		0.39	0.75
<b>Income</b>								
San Juan Basin Royalty Trust	SJT		4.27	47	200	8.00	-	0.53
Sabine Royalty Trust	SBR	B	25.72	15	380	60.00	-	0.43
Cross Timbers Royalty Trust	CRT		12.20	6	70	29.00	-	0.42
Permian Basin RT	PBT		4.32	47	200	11.00	-	0.39
Dorchester Minerals, L.P.	DMLP	B	9.10	31	280	24.00	-	0.38
	<i>Total or Median</i>				1,100		-	0.42
<b>Canada</b>								
EnCana Corporation	ECA		3.50	843	3,000	6.00	0.63	0.85
Imperial Oil Limited (30%)	IMO		26.50	255	6,800	38.00	0.21	0.76
Suncor Energy	SU		19.61	1,446	28,400	35.00	0.19	0.65
Cenovus Energy Inc.	CVE		11.41	827	9,400	20.00	0.17	0.64
Canadian Oil Sands Limited	COSWF		5.47	485	2,700	12.00	0.32	0.63
Birchcliff Energy Ltd.	BIREF	B	2.28	154	400	11.00	0.23	0.39
	<i>Total or Median</i>				51,000		0.22	0.65
Estimated present value presumes a long-term price for oil of US\$70 a barrel and natural gas, \$4.00 a million btu.								
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses								
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Table 3								
McDep Energy Stocks								
Value Multiples and Dividend								
Ranked by EV/Ebitda								
			Price	Adjustd				
	Symbol/Rating		(US\$/sh)	Resrvs/	PV/	EV/		Dividend
	B = Buy		20-Jan	Prod	Ebitda	Ebitda	P/E	NTM
			2016	NTM	NTM	NTM	NTM	(\$/sh)
<b>Global Integrated</b>								
Exxon Mobil Corporation	XOM		73.18	14.4	12.2	9.5	22	2.92
Chevron Corporation	CVX		78.98	9.3	12.4	8.2	39	4.28
Royal Dutch Shell (BG pro forma)	RDS-A	B	36.87	9.9	10.3	6.3	16	3.76
Total S.A.	TOT	B	40.21	9.9	10.6	6.0	11	2.66
	<i>Median</i>			9.9	11.4	7.3	19	
<b>Large Independent</b>								
EOG Resources, Inc.	EOG		60.24	9.0	21.5	15.3		0.67
Occidental Petroleum Corp.	OXY		59.62	8.9	16.9	13.9		3.00
ConocoPhillips	COP		34.75	11.4	19.3	11.4		2.96
Devon Energy Corporation	DVN	B	21.59	10.2	18.6	10.3	48	0.96
Marathon Oil Corporation	MRO	B	7.86	12.1	22.3	9.0		0.20
	<i>Median</i>			10.2	19.3	11.4	48	
<b>Small Independent</b>								
California Resources	CRC		0.97	12.7	673.5	554		-
Range Resources	RRC		21.99	13.8	31.8	24.9		0.16
Cimarex Energy Company	XEC		77.66	7.7	25.9	19.4		0.64
Whiting Petroleum Corporation	WLL	B	5.02	11.4	32.2	14.9		-
Continental Resources (32%)	CLR	B	16.04	11.4	26.1	12.3		-
	<i>Median</i>			11.4	31.8	19.4		
<b>Income</b>								
Cross Timbers Royalty Trust	CRT		12.20	12.5	35.9	15.1	14	0.87
San Juan Basin Royalty Trust	SJT		4.27	8.6	24.9	13.3	19	0.23
Permian Basin RT	PBT		4.32	9.7	30.8	12.1	19	0.23
Sabine Royalty Trust	SBR	B	25.72	7.7	27.8	11.9	12	2.15
Dorchester Minerals, L.P.	DMLP	B	9.10	7.1	22.8	8.7	22	0.66
	<i>Median</i>			8.6	27.8	12.1	19	
<b>Canada</b>								
EnCana Corporation	ECA		3.50	8.2	61.5	52.2	65	0.06
Canadian Oil Sands Limited	COSWF		5.47	18.0	74.0	46.4		0.14
Cenovus Energy Inc.	CVE		11.41	15.0	20.1	12.9		0.44
Imperial Oil Limited (30%)	IMO		26.50	23.4	14.2	10.8	18	0.39
Suncor Energy	SU		19.61	17.9	16.0	10.4		0.80
Birchcliff Energy Ltd.	BIREF	B	2.28	12.8	19.2	7.5		-
	<i>Median</i>			16.5	19.6	11.9	41	
	<i>Grand Median</i>			11	23	12		

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended December 31, 2016; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

For historical research see [www.mcdep.com](http://www.mcdep.com)



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Table 4										
McDep Energy Stocks										
Total Return Year-to-Date 2016										
Ranked by Unlevered Total Return										
			Price	Price			Equity	Unlevered		
			(\$/sh)	(\$/sh)	Price	Cash	Total	Debt	Total	
	Symbol/Rat.		20-Jan	31-Dec	Change	Distrib.	Return	(\$/sh)	Return	
			2016	2015	(%)	(%)	(%)		(%)	
									McDep	
									Ratio	
<b>Global Integrated</b>										
Exxon Mobil Corporation	XOM		73.18	77.95	(6)	-	(6)	20	(5)	0.78
Total S.A.	TOT	B	40.21	44.95	(11)	-	(11)	25	(7)	0.57
Chevron Corporation	CVX		78.98	89.96	(12)	-	(12)	31	(9)	0.66
Royal Dutch Shell (BG pro forma)	RDS-A	B	36.87	45.79	(19)	-	(19)	32	(12)	0.61
	<i>Median</i>				(11)		(11)		(8)	0.64
<b>Large Independent</b>										
Occidental Petroleum Corp.	OXY		59.62	67.61	(12)	-	(12)	12	(10)	0.82
EOG Resources, Inc.	EOG		60.24	70.79	(15)	-	(15)	12	(13)	0.71
ConocoPhillips	COP		34.75	46.69	(26)	-	(26)	30	(16)	0.59
Devon Energy Corporation	DVN	B	21.59	32.00	(33)	-	(33)	32	(16)	0.55
Marathon Oil Corporation	MRO	B	7.86	12.58	(38)	-	(38)	14	(18)	0.40
	<i>Median</i>				(26)		(26)		(16)	0.59
<b>Small Independent</b>										
Range Resources	RRC		21.99	24.62	(11)	-	(11)	25	(5)	0.78
California Resources	CRC		0.97	2.33	(58)	-	(58)	18	(7)	0.82
Cimarex Energy Company	XEC		77.66	89.38	(13)	-	(13)	12	(12)	0.75
Whiting Petroleum Corporation	WLL	B	5.02	9.44	(47)	-	(47)	27	(12)	0.46
Continental Resources (32%)	CLR	B	16.04	22.98	(30)	-	(30)	19	(16)	0.47
	<i>Median</i>				(30)		(30)		(12)	0.75
<b>Income</b>										
San Juan Basin Royalty Trust	SJT		4.27	4.14	3	-	3	-	3	0.53
Sabine Royalty Trust	SBR	B	25.72	26.26	(2)	-	(2)	-	(2)	0.43
Cross Timbers Royalty Trust	CRT		12.20	13.01	(6)	-	(6)	-	(6)	0.42
Dorchester Minerals, L.P.	DMLP	B	9.10	9.89	(8)	-	(8)	-	(8)	0.38
Permian Basin RT	PBT		4.32	5.06	(15)	-	(15)	-	(15)	0.39
	<i>Median</i>				(6)		(6)		(6)	0.42
<b>Canada</b>										
Canadian Oil Sands Limited	COSWF		5.47	5.96	(8)	-	(8)	6	(4)	0.63
Cenovus Energy Inc.	CVE		11.41	12.62	(10)	-	(10)	4	(7)	0.64
EnCana Corporation	ECA		3.50	5.09	(31)	-	(31)	10	(10)	0.85
Birchcliff Energy Ltd.	BIREF	B	2.28	2.93	(22)	-	(22)	3	(10)	0.39
Imperial Oil Limited (30%)	IMO		26.50	32.52	(19)	-	(19)	10	(14)	0.76
Suncor Energy	SU		19.61	25.80	(24)	-	(24)	8	(18)	0.65
	<i>Median</i>				(20)		(20)		(10)	0.65
	<i>Grand Median</i>				(15)		(15)		(10)	0.61
<b>Natural Gas (\$/mmbtu)</b>			2.12	2.33	(9)					
<b>Oil - West Texas Intermediate (\$/bbl)</b>			28.35	37.06	(24)					
<b>S&amp;P 500</b>			1,859	2,044	(9)					

Source: McDep LLC, Yahoo, CME Group, Bloomberg

For historical research see [www.mcdep.com](http://www.mcdep.com)



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<b>Suncor</b>										
<b>Next Twelve Months Operating and Financial Estimates</b>										
(Canadian Dollars)										
										<i>Next Twelve Months</i>
	<i>Q4</i>	<i>Year</i>	<i>Q3</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>12/31/16</i>
	<i>12/31/14</i>	<i>2014</i>	<i>9/30/15</i>	<i>12/31/15</i>	<i>2015E</i>	<i>3/31/16</i>	<i>6/30/16</i>	<i>9/30/16</i>	<i>12/31/16</i>	<i>12/31/16</i>
<b>Volume</b>										
Oil Sands (mbd)	384	<b>391</b>	430	430	<b>431</b>	430	430	430	430	<b>430</b>
Syncrude	35	<b>31</b>	28	31	<b>30</b>	35	30	34	39	<b>35</b>
E&P Canada	61	<b>59</b>	41	41	<b>46</b>	41	41	41	41	<b>41</b>
E&P International	78	<b>54</b>	67	67	<b>68</b>	67	67	67	67	<b>67</b>
Total Oil (mbd)	558	<b>535</b>	566	569	<b>574</b>	573	568	572	577	<b>573</b>
<b>Price</b>										
Currency (US\$/C\$)	0.88	<b>0.91</b>	0.76	0.72	<b>0.78</b>	0.69	0.69	0.69	0.69	<b>0.69</b>
WTI Cushing (\$US/bbl)	73.18	<b>93.04</b>	46.39	42.21	<b>48.79</b>	29.53	31.64	33.87	35.25	<b>32.57</b>
WTI Cushing (C\$/bbl)	83.16	<b>102.33</b>	61.04	58.63	<b>62.81</b>	42.74	45.80	49.03	51.03	<b>47.15</b>
Oil Sands	69.51	<b>87.20</b>	47.93	46.03	<b>50.54</b>	33.56	35.96	38.49	40.07	<b>37.03</b>
Syncrude	81.85	<b>99.33</b>	61.00	58.59	<b>61.87</b>	42.71	45.77	48.99	51.00	<b>47.29</b>
E&P Canada	78.51	<b>106.42</b>	59.09	56.75	<b>63.93</b>	41.37	44.34	47.46	49.40	<b>45.66</b>
E&P International	82.27	<b>100.87</b>	62.86	60.37	<b>64.01</b>	44.01	47.16	50.48	52.55	<b>48.57</b>
Total Oil (C\$/bbl)	73.04	<b>91.40</b>	51.15	49.17	<b>53.78</b>	35.89	38.41	41.16	42.92	<b>39.62</b>
<b>Revenue (\$mm)</b>										
Oil Sands	2,457	<b>12,446</b>	1,897	1,822	<b>7,954</b>	1,314	1,408	1,524	1,586	<b>5,832</b>
Syncrude	264	<b>1,123</b>	158	167	<b>672</b>	135	126	153	183	<b>597</b>
E&P Canada	437	<b>2,278</b>	221	212	<b>1,062</b>	153	164	177	185	<b>678</b>
E&P International	589	<b>2,006</b>	388	373	<b>1,583</b>	269	288	312	324	<b>1,193</b>
Total Oil	3,747	<b>17,853</b>	2,664	2,574	<b>11,272</b>	1,871	1,986	2,166	2,278	<b>8,301</b>
Other	5,344	<b>22,637</b>	4,893	6,000	<b>20,389</b>	6,000	6,000	6,000	6,000	<b>24,000</b>
Total	9,091	<b>40,490</b>	7,557	8,947	<b>32,034</b>	8,139	8,274	8,477	8,603	<b>33,494</b>
<b>Expense</b>										
Upstream	2,185	<b>7,536</b>	1,493	1,930	<b>6,569</b>	1,403	1,490	1,624	1,709	<b>6,226</b>
Downstream	5,050	<b>19,792</b>	3,993	5,100	<b>16,870</b>	5,100	5,100	5,100	5,100	<b>20,399</b>
<b>Ebitda (\$mm)</b>										
Upstream	1,562	<b>10,317</b>	1,171	643	<b>4,703</b>	468	497	541	570	<b>2,080</b>
Downstream	294	<b>2,845</b>	900	900	<b>3,519</b>	900	900	900	900	<b>3,601</b>
Total Ebitda	1,856	<b>13,162</b>	2,071	1,544	<b>8,222</b>	1,368	1,397	1,442	1,470	<b>5,680</b>
Exploration	8	<b>104</b>	55	55	<b>308</b>	55	55	55	55	<b>220</b>
Deprec., Deplet., & Amort.	1,200	<b>6,140</b>	1,333	1,333	<b>5,304</b>	1,333	1,333	1,333	1,333	<b>5,332</b>
Other		-			-					-
<b>Ebit</b>	648	<b>6,918</b>	683	156	<b>2,610</b>	(20)	9	54	82	<b>125</b>
Interest	89	<b>308</b>	105	105	<b>431</b>	105	105	105	105	<b>420</b>
<b>Ebt</b>	559	<b>6,610</b>	578	51	<b>2,179</b>	(125)	(96)	(51)	(23)	<b>(295)</b>
Income Tax	168	<b>1,983</b>	174	15	<b>654</b>	(38)	(29)	(15)	(7)	<b>(89)</b>
<b>Net Income (\$mm)</b>										
Upstream	378	<b>2,429</b>	(51)	-	-	-	-	-	-	-
Downstream	173	<b>1,692</b>	613	-	-	-	-	-	-	-
Unallocated	(160)	<b>506</b>	(157)	36	-	(88)	(67)	(36)	(16)	-
Total	392	<b>4,627</b>	405	36	<b>1,525</b>	(88)	(67)	(36)	(16)	<b>(207)</b>
<b>Shares (millions)</b>										
Per share (\$)	0.27	<b>3.15</b>	0.28	0.02	<b>1.05</b>	(0.06)	(0.05)	(0.02)	(0.01)	<b>(0.14)</b>
Ebitda Margin Upstream	42%	<b>58%</b>	44%	25%	<b>42%</b>	25%	25%	25%	25%	<b>25%</b>
Tax Rate	30%	<b>30%</b>	30%	30%	<b>30%</b>	30%	30%	30%	30%	<b>30%</b>



# Independent Stock Idea

January 21, 2016

<b>Suncor</b>					
<b>Functional Cash Flow and Present Value</b>					
	<i>NTM Ebitda</i>	<i>Adjusted</i>	<i>PV/</i>	<i>Present</i>	
	<i>(US\$mm)</i>	<i>R/P</i>	<i>Ebitda</i>	<i>Value</i>	
				<i>(US\$mm)</i>	
Oil Sands	1,070	20.5	37.5	40,100	64%
Syncrude	40	20.5	70.0	2,800	4%
Conventional Oil	320	7.8	25.0	8,000	13%
Downstream	2,490		4.8	12,000	19%
	3,920	17.9	16.0	62,900	100%
Debt (US\$mm)					12,300
Net Present Value (US\$mm)					50,600
Shares (mm)					1,446
Net Present Value - Standard Estimate (US\$/sh)					35
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					35

**Disclaimer:** This analysis was prepared by Kurt Wulff, Manager of McDep LLC. The firm used sources and data believed to be reliable, but makes no representation as to their accuracy or completeness. This analysis is intended for informational purposes and is not a solicitation to buy or sell a security. Past performance is no guarantee of future results.

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